

Dependent Coverage in the SHOP Marketplace

In general, businesses participating in the Small Business Health Options Program (SHOP) Marketplace are not required to offer dependent coverage. However, some states may require it. Check with your state's Department of Insurance for specific state requirements.

Employers offering dependent coverage

If you choose to offer coverage to the employee that meets affordability requirements (the cost of employee-only coverage doesn't exceed 9.5% of the employee's income) and the coverage includes dependents, the dependents can choose to accept the coverage offer or get coverage elsewhere.

If the dependents decline the offer of coverage, they can buy coverage through the Health Insurance Marketplace, but won't be eligible for a premium tax credit or cost-sharing reduction, regardless of income level.

Employers who choose to offer their employees dependent coverage may also enroll their own spouses and dependents.

Employers offering employee-only coverage

If you choose to offer employee-only coverage, and the employee's dependents don't have access to other affordable offers of employer coverage, the dependents can get coverage through the Health Insurance Marketplace. They also may qualify for a premium tax credit or cost-sharing reduction to help pay for coverage depending on their income level.

